

IRISH WIND ENERGY COMPANY EYES AREA

By Karl Puckett

A renewable energy development company with ties to Ireland has set up an office on Central Avenue in Great Falls as it pursues the possible construction of wind farms and a facility that would store compressed air in underground caverns to generate electricity when demand is higher.

Ireland and Montana may be on different continents, but they have great wind in common, which is why Gaelectric LLC chose to set up shop in the Electric City two years ago, said Colin McGowan, the company's chief operating officer.

The Great Falls office has since hired seven employees.

"It's much more efficient to build where the resource is and transport the load," McGowan said.

The company is tight-lipped about its specific plans in Montana, but it is not shy about promoting wind development.

In October, the company, which has hired a Billings-based public relations firm, briefed state officials at the Capitol on its plans for storing electricity underground.

Additionally, Gov. Brian Schweitzer visited with Gaelectric officials in November in Ireland after he received an award at the University College Dublin.

Since Montana is competing with other states for renewable energy development, the state and industry need to promote themselves, McGowan said.

"How do we attract industry to Montana?" he asked. "There are a lot of people out there promoting their states."

Gaelectric isn't the only energy company with ties to Europe that is doing business in Big Sky Country.

"Montana's open for business," said Chantel McCormick, a senior energy development specialist with the state Department of Commerce's Energy Promotion and Development Division.

For example, Spain-based NaturEner is constructing the \$500 million Glacier Wind Farm in Toole and Glacier counties, McCormick said. And plans by Fuhrlander AG of Waigandshain, Germany, for a \$25 million turbine manufacturing plant are still moving forward, she added.

The Great Falls-based Gaelectric LLC is a subsidiary of Gaelectric Holdings of Dublin, Ireland.

The company also has U.S. offices in Chicago and Clarkston, Wash. The Washington office is the headquarters for Gaelectric Northwest, a recently formed joint venture with Air Dynamics LLC. The partnership is planning 4,000 megawatts of wind power development over the next five years in Idaho, Oregon and Washington, McGowan said.

In Montana, Gaelectric recently met with landowners in the Fort Benton area, but McGowan declined to reveal the locations of potential projects. However, he said he is "very hopeful" that project announcements will occur in 2009. The company has secured enough land options in the United States to generate 1,700 megawatts of electricity, he said.

"We go about our business quietly," said McGowan, adding it makes no sense to build up hopes only to close the door later if projects don't materialize.

In addition to the wind farms, Gaelectric is investigating sites in Montana where it could construct a compressed-air-energy storage facility.

At CAES plants, cheap off-peak electricity — when less power is used — is purchased at night, and used to power a generator that drives compressors that force air into underground storage reservoirs, according to the U.S. Department of Energy.

Later, when electric power demand peaks during the day, the compressed air is returned to the surface and heated by natural gas combustors. The expanding air powers a generator that produces electricity.

"CAES is a proven technology," McGowan said adding that two CAES facilities are operating in Germany and Alabama, and a third is under construction in Ohio.

Gaelectric has studied 90 possible CAES sites in Montana, and identified five locations suitable for a facility, McGowan said. McCormick said CAES sites in northcentral and southwestern Montana already are under consideration.

"The governor has met with them a few times and is very excited about what they might be able to do with this," McCormick said.

McGowan said the energy stored at a CAES facility could address the up-and-down electrical output of wind generation, which makes it challenging to integrate onto the electrical grid.

Currently, the spikes and declines in electricity from wind facilities are offset with power purchased from other sources, called firming power. Gaelectric officials say that CAES facilities could provide readily available firming power.

"Integrating wind into an old transmission system is always going to be an issue," McGowan said.

The company announced in November that it was valued at more than \$100 million after raising \$25 million in funding backed by private investors to support wind projects in Ireland, the U.S. and central Europe.

Gaelectric has received planning approval on eight wind farms in Ireland, with the first scheduled to be operational in 2009, company officials said.